



Independent Auditors report on special purpose financial information prepared for consolidation purposes

To
M/s. Arun & Co
Chartered Accountants
1/1, MELA KULA PILLIYAR KOVIL STREET,
MELA KULAVANIGARPURAM,
OPP TO ST. THOMAS CHURCH
SOUTH BYE-PASS ROAD
KURUCHI, TIRUNELVELI - 627005.

As requested in your instructions 'Elgi Rubber Company Limited Group Audit instructions' dated May 05, 2025, I have audited for purposes of your audit of the consolidated financial statements of Elgi Rubber Company Limited. The accompanying special purpose information of ELGI Rubber Company Holdings BV, Netherlands (The Subsidiary Company), as of March 31, 2025 and for the year then ended of the accompanying financial reporting package of Elgi Rubber Company Limited. This special purpose financial statements prepared solely to enable Elgi Rubber Company Limited to prepare its consolidated financial statements.

Management responsibility for the special purpose financial information:

Management is responsible for the preparation of this special purpose financial information in accordance with policies and instructions contained in Elgi Rubber Company Limited Accounting Manual / Accounting policies and for such internal control as management determines is necessary to enable the preparation of special purpose financial information that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility:

My responsibility is to express an opinion on this special purpose financial information based on my audit. I conducted my audit in accordance with International standards on Auditing required that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the special purpose financial information is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial information. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the special purpose financial information, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of these special purpose financial information in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, made by management, as well as evaluating the overall presentations of these special purpose financial information.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion the conclusions reached in forming my opinion as based on the component materiality level specified by you in the context of the audit of the consolidated statements of the group.



Opinion

In my opinion, in the accompanying special purpose financial information for ELGI Rubber Company Holdings BV, Netherlands as of March 31, 2025, and for the year ended has been prepared, in all material respects in accordance with the policies and instructions contained in Elgi Rubber Company Limited accounting manual / accounting policies, except for the effects of the matter described in the Basis of Qualified Opinion section.

Emphasis of Matter

The company had entered into lease agreement for a period of 10 years and the company had decided to amortise sale and leaseback transaction entered by Rubber Resources and for the year ended 31st December 2025, company had charged as expenditure amounting to EUR 1,88,124.

Restrictions on use

The special purpose financial information has been prepared for purpose of providing information to Elgi Rubber Company Limited to enable it to prepare the consolidated financial statements of the Group as a result, the special purpose financial information is not a complete set of financial statements of ELGI Rubber Company Holdings BV, Netherlands in accordance with Ind AS (Indian IFRS) and is not intended to the true and fair view of/ present fairly, in all material respects, the financial position of ELGI Rubber Company Holdings BV, Netherlands as of March 31, 2025 and of its financial performance for the year then ended in accordance with Ind AS. The financial information may, therefore, not be suitable for another purpose.

This report is intended solely for M/s. Arun & Co., Chartered Accountants, and should not be used by other parties.

For Garisenuru and Co
Chartered Accountant
FRN: 018666S

Subba Reddy G

Subba Reddy G
Proprietor
Membership No.:244907



Date: 29th May 2025
UDIN: 25244907BMRKDU7000

Elgi Rubber Company Holding BV, Netherlands

Balance Sheet as at 31 MAR 2025

All amounts in Local Currency _ INR Million

Particulars		As at	As at
		31-Mar-25	31-Mar-24
ASSETS			
Non-current assets			
Property, plant and equipment	1	74.00	888.02
Intangible assets	1	116.48	116.48
Goodwill on consolidation		-	-
Financial assets			
Investments		-	-
Loans		-	-
Other non-current financial asset		-	-
Deferred tax asset (Net)	2	35.08	45.24
Other non-current assets	3	11.57	11.45
Total non-current assets		237.13	1,061.19
Current assets			
Inventories	4	321.17	270.12
Financial assets			
Trade receivables	5	107.18	139.11
Cash and cash equivalents	6	75.24	9.18
Bank balances other than above		-	-
Loans		-	-
Other Financial Assets		-	-
Other current assets	7	154.06	0.92
Total current assets		657.65	419.33
Total Assets		894.78	1,480.53
EQUITY AND LIABILITIES			
Equity			
Equity share capital	8	317.00	309.77
Other equity	9	(1,978.80)	(1,614.10)
Total equity		(1,661.80)	(1,304.33)



Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	10	107.21	129.69
Current liabilities			
Financial liabilities			
Borrowings	11	1,848.08	2,164.66
Trade payables	12	395.81	432.01
Short Term Provisions	13	17.95	17.08
Other current liabilities	14	187.53	41.42
Total liabilities		2,556.58	2,784.86
Total Equity and Liabilities		894.78	1,480.53

The accompanying notes form an integral part of the financial statements

For Garisenuru & Co
Chartered Accountant
ICAI Firms' Registration No.0186669

Subba Reddy G

Subba Reddy G
Proprietor
Membership No.244907



UDIN: 25244907BMRKDU7000
Date: 28th May 2025

Elgi Rubber Company Holding BV, Netherlands

Statement of Profit and Loss account for the year ended 31st March 2025

All amounts in Local Currency _ INR Million

	Particulars	Notes	Period ended Mar 31 2025	Period ended Mar 31 2024
Continuing Operations				
A	Income			
	Revenue from operations	15	1,017.97	1,159.11
	Other income	16	3.53	-
	Total income		1,021.50	1,159.11
B	Expenses			
	Cost of materials consumed	17	481.80	444.85
	Employee Benefits Expense	18	231.69	202.88
	Depreciation and amortisation expense	19	22.80	54.42
	Other expenses	20	490.10	489.93
	Finance costs	21	79.66	62.11
	Total expenses		1,306.05	1,254.19
C	Profit before exceptional items and tax		(284.55)	(95.08)
	Exceptional items		-	-
D	Profit before tax from continuing operations		(284.55)	(95.08)
	Income tax expense			
	Current tax		-	-
	MAT Tax		-	-
	Deferred tax charge/ (credit)		-10.91	14.86
	Profit for the year		(273.64)	(109.94)
E	Other comprehensive income			
	Items that will not be reclassified to profit or loss			
	Remeasurement of post employment benefit obligations		-	-
	Income tax relating to these items		-	-
	Other comprehensive income for the year, net of tax		-	-
	Total comprehensive income for the year		(273.64)	(109.94)

The accompanying notes form an integral part of the financial statements

For Garisenuru & Co

Chartered Accountant

ICAI Firms' Registration No.0186665

Subba Reddy

Subba Reddy G

Proprietor

Membership No.244907



UDIN: 25244907BMRKDU7000

Date: 28th May 2025

Note - 1: Property, plant and equipment and Intangible assets

Particulars	Tangible assets					Intangible assets	Total Assets
	Land	Building	Plant and Equipment	Vehicles	Total		
Cost at 31st March 2024	197.04	914.31	3,410.20	22.35	4,543.90	206.98	4,750.88
Additions			0.74		0.74		0.74
Disposals/Adjustments	199.60	929.93			1,129.53		1,129.53
Exchange difference(FCTR)	2.57	15.62	66.38	0.31	84.87	0.05	84.92
Cost at 31st March 2025	0.00	-0.00	3,477.32	22.66	3,499.97	207.03	3,707.00
Depreciation&Amortisation							
As at 31st March 2024	-	296.66	3,336.87	22.35	3,655.88	90.50	3,746.38
Charges for the year			22.80		22.80		22.80
Disposals		300.23			300.23		300.23
Exchange difference(FCTR)		3.57	43.66	0.31	47.54	0.05	47.58
As at 31st March 2025	-	-0.00	3,403.33	22.66	3,425.98	90.55	3,516.53
Net Block							
As at 31st March 2024	197.04	617.65	73.33	-	888.02	116.48	1,004.50
As at 31st March 2025	0.00	0.00	73.99	-0.00	74.00	116.48	190.48



Elgi Rubber Company Holding BV, Netherlands

Notes to Accounts

All amounts in Local Currency _ INR Million

	As at 31-Mar-25	As at 31-Mar-24
2 Non-current assets- Deferred tax asset (Net)		
Deferred tax Assets (Net)	35.08	45.24
	35.08	45.24
3 Other Non Current Assets		
(Unsecured, considered good)		
Other disputed statutory payments/deposits	-	5.10
Statutory Payments	2.45	6.35
Advance recoverable in cash or in kind or for value to be received	9.12	-
	11.57	11.45
4 Inventories		
Raw Materials	44.64	23.80
Finished products	70.30	73.77
Goods in Transit	6.29	-
Packing materials	1.56	8.73
Stores and spares	198.38	163.82
Scrap		
	321.17	270.12
5 Trade receivables		
Outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	107.18	139.11
Unsecured, considered doubtful	-	-
	107.18	139.11
Less : Allowance for expected credit losses	-	-
	107.18	139.11
6 Cash and cash equivalents		
Cash on hand	0.01	0.05
Balances with banks		
In current accounts	42.26	3.95
In demand deposits with original maturity of less than 3 months	32.97	5.18
	75.24	9.18



Elgi Rubber Company Holding BV, Netherlands

Notes to Accounts

All amounts in Local Currency _ INR Million

	As at 31-Mar-25	As at 31-Mar-24
7 Other current assets		
(Unsecured, considered good)		
Others	154.06	0.92
	154.06	0.92
8 Capital		
Subscribed and fully paid up share capital		
Subscribed and fully paid up share capital	317.00	309.77
	317.00	309.77
9 Other Equity		
Capital Reserves	140.68	140.68
Foreign Currency Translation Reserve	(231.74)	(140.68)
Retained earnings	(1,887.74)	(1,614.10)
	(1,978.80)	(1,614.10)
a) Capital Reserve		
Balance at the beginning and end of the year	140.68	140.68
b) Foreign Currency Translation Reserve		
Balance at the beginning of the year	(140.67)	(69.20)
Additions/ (deductions) during the year	(91.06)	(71.47)
	(231.74)	(140.67)
c) Retained earnings		
Balance at the beginning of the year	(1,614.10)	(1,504.16)
Net profit for the period	(273.64)	(109.94)
Transfer from Other Comprehensive Income		
Balance at the end of the year	(1,887.74)	(1,614.10)
10 Long Term Borrowings		
Term Loans (Secured)		
From Banks	107.21	129.69
	107.21	129.69



Elgi Rubber Company Holding BV, Netherlands

Notes to Accounts

All amounts in Local Currency _ INR Million

	As at	As at
	31-Mar-25	31-Mar-24
11 Current liabilities - Financial Liabilities: Borrowings		
a) Secured		
Loans repayable on Demand		
From banks		
Cash credit facility	757.36	992.24
b) Unsecured		
From banks	37.85	45.04
Loans from related parties	1052.87	1,127.38
Total	1,848.08	2,164.66
12 Trade payables		
Trade payables	395.81	432.01
Total	395.81	432.01
13 Provisions (Current)		
Provision - others	17.95	17.08
Total	17.95	17.08
14 Other current liabilities		
Employee benefits payable	31.07	32.36
Other Payable to related party	156.46	4.12
Other payables	-	4.94
Total	187.53	41.42



Elgi Rubber Company Holding BV, Netherlands

Notes to Accounts

All amounts in Local Currency _ INR Million

	Period Ended Mar 31 2025	Period Ended Mar 31 2024
15 Revenue from Operations		
Sale of Products	1,017.84	1,143.95
Sale of Service	0.13	15.16
	1,017.97	1,159.11
16 Other Income		
Other non operating income	3.53	-
	3.53	-
16 (a) Other Non - Operating Income		
Dividend Income from		
.Others	0.67	-
Miscellaneous income	2.86	-
	3.53	-
17 Cost of materials consumed		
Raw material Consumed	481.80	415.15
Opening Inventory	-	-
Add: Purchase	-	-
Less: Inventory at the end of the period	-	-
	481.80	415.15
18 Employee benefits expense		
Salaries, wages and bonus	200.45	173.43
Contribution to provident and other funds	23.97	22.83
Staff welfare expenses	7.27	6.62
	231.69	202.88
19 Depreciation and amortisation expense		
Depreciation of property, plant and equipment	22.80	54.42
	22.80	54.42



Elgi Rubber Company Holding BV, Netherlands

Notes to Accounts

All amounts in Local Currency _ INR Million

20 Other expenses		
Consumption of stores and spare parts	-	3.04
Power and fuel	191.37	232.13
Rent	42.89	0.20
Labour charges	-	7.77
Repairs and Maintenance – Plant and machinery	5.70	38.28
Repairs and Maintenance – Building	19.11	2.29
Repairs and Maintenance – Others	18.70	15.46
Insurance	42.48	30.61
Rates and taxes	3.72	3.65
Exchange fluctuation expenses (Net)	1.95	1.63
Travelling and conveyance	4.01	2.93
Auditors' Remuneration	3.65	6.55
Professional fees	2.24	1.77
Advertisement and other selling expenses	10.86	4.51
Carriage Inward	-	15.92
Freight charges	82.75	73.05
Miscellaneous expenses	60.67	50.14
	490.10	489.93
21 Finance Cost		
Interest on Borrowings	12.90	14.15
On borrowings from banks	27.47	35.65
Interest paid to related party	37.97	1.25
Financial charges on borrowings	1.32	11.06
	79.66	62.11

